

June 16, 2008

What is the importance of the war in Iraq relative to other current issues? This is a question I am often asked, especially as Americans continue to become increasingly aware that something is very wrong with the economy.

The difficulty with the way the question is often asked relates to the perception that we are somehow able to divide such issues, or to isolate the cost of war into arbitrarily defined areas such as national security or international relations.

War is an all-encompassing governmental activity.

The impact of war on our ability to defend ourselves from future attack, and upon America's standing in the world, is only a mere fraction of the total overall effect that war has on our nation and the policies of its government.

The cost of this particular war is enormous, and therefore its of great importance. There is no single issue that is more important at this particular time. The war has, of course, made us less safe as a nation and damaged our credibility with allies and hostile nations alike.

Moreover, years of growing deficits have been spurred on by the high price tag of war, and the decision to pay that price primarily by supplemental spending rather than traditional "on-budget" accounting.

War takes what would otherwise be productive economic capacity and transfers both that capacity, and the wealth it would generate in normal, peaceful, times into far less economically viable activities. It also impacts

budget priorities in ways that are detrimental to our nation.

I have often pointed to the fact that we are building bridges in Iraq while they are collapsing in the United States .

All war, but most particularly war funded by monetary inflation, bleeds a country in multiple ways. Obviously, many of the young people who are in the military literally give their blood, and sometimes their lives, fighting in wars of this type. Meanwhile, those who do not fight the war, but fund it, are forced to pay both the immediate costs, as well as seeing their long term purchasing power erode, as the twin pillars of debt and inflation are foisted upon the backs of current taxpayers and future generations. Neither conspiracy nor coincidence explains steep increases in the price of gas as the war drags on.

No, this is simply a reality of the inflationary policies that, among other things, make this war possible.

As people are continually asked to choose whether our nation's teetering economy or the failed foreign policy of the past several decades is most important as we look forward, it is well for those of us who understand that these two issues are closely linked, to continue to explain this fact to our fellow citizens. To fix the problem requires a proper diagnosis.